

Adding 5 Percent of the Farm Service Agency Farm Service Agency (FSA)  
Farm Credit Loan Recipients to the 2008 HELC/Wetland Compliance Reviews

Natural Resources Conservation Service (NRCS) policy requires that tracts for 5 percent of all FSA Farm Credit Loan recipients be added to the annual HELC/Wetland compliance review list [*National Food Security Act Manual* (NFSAM), 518.02]. NRCS National Headquarters (NHQ) will provide the random selection list to the states for the 2008 Compliance Review process. This list was compiled by the FSA Farm Loan Division.

FSA has provided NRCS data for approximately 2,900 names listed by state and county. Tract data is not included in the Farm Credit Loan data.

**Process:**

NHQ will send each State Coordinator the list of names generated by FSA.

**If States have already added loan recipients to the 2008 compliance review list, an equal number of names from the county loan recipient list provided by NHQ can be deleted.**

**Alternative to Above Statement:**

**If Counties have already added loan recipients to the 2008 compliance review application, then this county can disregard any list from NHQ. Therefore, if all counties have added loan recipient tracts, the State does not need to add any from the NHQ list.**

Names from the loan recipient list should not be automatically added to the national sample compliance review list. The FSA data does not indicate if the tracts for the loan recipient have highly erodible land and/or wetlands.

Before entering any name into the compliance review process:

1. Check the names on the loan recipient list with names on the 2008 national sample compliance review list previously provided. If the loan recipient is listed in the random tract selection, a second review is not necessary. A replacement is not required.
2. Check the names on the loan recipient list with the names on the 2007 national sample compliance review list. If a review was conducted in 2007 for the loan recipient tract, a review in 2008 is not necessary. A replacement is not required.
3. For loan recipient tracts that are not reviewed in 2007 or 2008 as part of the compliance review process, identify if the loan recipient's tracts have HEL or wetlands. If there is no HEL or wetlands on the tracts, this name can be deleted from the list. A replacement is not required.

Tracts for farm credit loan recipients that are not addressed in items 1-3 above should be added to the compliance review process.